UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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ART UNIT	PAPER NUMBER
3628	

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

PTOL-90A (Rev. 04/07)

	Application No.	**Applicant(s)**
Office Action Summary	09/741,956	LEE ET AL.
	Examiner	**Art Unit**	
	Akiba K. Robinson-Boyce	3628	

-- *The MAILING DATE of this communication appears on the cover sheet with the correspondence address* --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on <u>28 June 2007</u>.

2a)☐ This action is **FINAL.**   2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-4 and 6-11* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-4 and 6-11* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All   b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date <u>6/28/07</u>.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1.   A request for continued examination under 37 CFR 1.114, including the fee set

forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this

application is eligible for continued examination under 37 CFR 1.114, and the fee set

forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action

has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 6/28/07

has been entered.

Status of Claims

2.   Due to communications filed 6/28/07, the following is a non-final office action.

Claim 1 has been amended. Claim 5 is cancelled. Claims 1-4 and 6-11 are pending in

this application and have been examined on the merits. Claims 1-4 and 6-11 are

rejected as follows.

Claim Rejections - 35 USC § 112

3.   The following is a quotation of the first paragraph of 35 U.S.C. 112:

> The specification shall contain a written description of the invention, and of the manner and process of
> making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the
> art to which it pertains, or with which it is most nearly connected, to make and use the same and shall
> set forth the best mode contemplated by the inventor of carrying out his invention.

4.   Claims 1 and 3 are rejected under 35 U.S.C. 112, first paragraph, as failing to

comply with the written description requirement. The claim(s) contains subject matter

which was not described in the specification in such a way as to reasonably convey to

one skilled in the relevant art that the inventor(s), at the time the application was filed,

had possession of the claimed invention. In the instant case, the following limitation is

not supported by the specification "further wherein each said demand group is defined

by a user such that each said demand group is unique to said user".

Claim Rejections - 35 USC § 103

5.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

6.   Claims 1, 6, are rejected under 35 U.S.C. 103(a) as being unpatentable over

Ouimet et al (US 6,078,893), and further in view of Garg, (US 6,044,357)

As per claim 1 Ouimet et al discloses:

Creating, using the computer system, a plurality of demand groups, wherein each

demand group is a set of at least one product, and wherein at least one of the demand

groups is a set of at least two products, (col. 5, lines 45-64, [shows demand is described

for each item in a given group where the product is represented by the item, in this

case, one of the demand groups being a set of at least two products is inherent since

Ouimet et al discloses that "each item in a given group" implies that there are more than

one items in a group since the sales of "one" item can depend upon the parameters of

all the other items]);

Creating, using the computer system, a demand group sales model as a function

of price wherein said demand group sales model models sales for each demand group,

(col. 6, lines 5-11, [shows a one-dimensional demand model which scales the amount of

sales, in this case, the variables are simply the prices {p},and the demand parameters qi

scales the amount of sales and gi, which describes the sensitivity of the item to price]),

further wherein said demand group sales model provides a single model for

modeling sales of all of the products in each said demand group, (Col. 6, lines 12-15,

shows more complicated models where a demand model which the is a nonlinear,

cross-correlation between the variables of different items, which represent products);

Creating, using the computer system, said product sales model by combining

said demand group sales model and said internal market share model, wherein said

product sales model models sales for individual products, further wherein said product

sales model combines said demand group sales model and said internal market share

model to produce said product sales model for individual products, (Col. 6, lines 63-64,

where the user selects a figure-of-merit function to be used to tune the demand model

to the sales history, thereby creating a resulting demand model that conforms to the

portions of the sales history data that shows a strong trend, and conform to the external

market information when the corresponding portions of the sales history data show

noise as shown in the abstract, lines 13-17, w/ Col. 6, lines 12-15, shows a demand

model which the is a nonlinear, cross-correlation between the variables of different

items, which represent individual products);

Ouimet et al does not specifically disclose wherein each demand group is a

group of highly substitutable products, but does disclose defining a new market model

that represents and describes how the demand parameters are expected to vary, where

the demand parameters relate to the products in each demand group in col. 6, lines 17-25.

However, Garg discloses:

wherein each demand group is a group of highly substitutable products, (Col. 13, line 65, shows inventory maintenance is implemented for products which means that these products are replaceable through inventory stock, w/ Col. 14, lines 55-58 and col. 15 lines 17-18 and lines 24-26, show the selection of a first marketing mix, a selection of another marketing mix, and then the identification of which marketing mix generates the largest profit/loss, in this case, one marketing mix for products can be substituted for another marketing mix for the highest profit or loss outcome). Garg discloses this limitation in an analogous art for the purpose of showing that products within marketing mixes are interchangeable.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention for each demand group to be a group of highly substitutable products with the motivation of having the ability to replace the products when needed.

Ouimet et al does not specifically disclose the following, but does disclose defining a new market model that represents and describes how the demand parameters are expected to vary, where the demand parameters relate to the products in each demand group in col. 6, lines 17-25:

Creating, using the computer system, an internal market share model wherein said internal market share model determines the fraction of the internal sales of each demand group comprised by each product, however does disclose defining a new

market model that represents and describes how the demand parameters are expected

to vary, where the demand parameters relate to the products in each demand group in

col. 6, lines 17-25.

However, Garg discloses:

creating, using the computer system, an internal a market share model wherein

said internal market share model determines the fraction of the internal sales of each

demand group comprised by each product,, (col. 5, lines 38-41, [market share model to

characterize the demand distribution for each brand, in this case, the group is

represented by the brand, and the demand distribution represents a different demand

resulting from sales for each product. This demand distribution will therefore vary for

each brand, and therefore represents fraction of the sales]. In addition, the sales are

internal since the demand groups are by a particular brand, which means that sales do

not have to go to an external source for another brand). Garg discloses this limitation in

an analogous art for the purpose of showing that market share models are used to set

base stock levels for inventory management.

It would have been obvious to one of ordinary skill in the art at the time of the

applicant's invention to create a market share model for each product in each demand

group with the motivation of providing a representation of how the demand distribution is

represented through products.

As per claim 6, Ouimet et al discloses:

Defining an equivalizing factor for the products of each demand group, (Col. 4,

line 66-Col. 5, line 6).

7.   Claims 3-4, and 9 are rejected under 35 U.S.C. 103(a) as being unpatentable

over Chavez et al, (US 6,684,193), and further in view of Ouimet et al, (US 6,078,893).

        As per claim 3, Chavez et al discloses:

        Computer program instructions which, when executed by a computer, cause the

computer to generate an econometric engine for modeling sales as a function of price,

(Col. 7, lines 5-10 and lines 58-62, shows using the economical model to balance the

amount of money brought in from sales against the costs).

        A imputed variable generator for generating imputed econometric variables; (col.

8, lines 22-27, [consumption distribution imputed {inferred} from components]);

        A coefficient estimator coupled to the imputed variable generator, and wherein

imputed variables generated by the variable generator are used by the coefficient

estimator to create a demand group sales model as a function of price, wherein said

demand group sales model provides a single model for modeling sales of all of the

products in each said demand group, an internal market share model, and a combined

product sales model, wherein said product sales model models sales for individual

products, further wherein said product sales model combines said demand group sales

model and said internal market share model to produce said product sales model for

individual products, [col. 15, lines 6-14, [shows an example of how the revenue

coefficient is incorporated into modeling the value function in a manner to account for ,

interactive effects between the refinements and the resources that comprise that

particular model], w/ (Col. 6, lines 12-15, shows more complicated models where a

demand model which the is a nonlinear, cross-correlation between the variables of

different items, which represent individual products).

Chavez et al does not specifically disclose the terms "variable generator" or

"coefficient estimator", however, does disclose an engine (col. 8, lines 23-31) that

produces the same results, and therefore represents the econometric engine that

contains the "variable generator" and the "coefficient estimator". Therefore, the

"variable generator" and the "coefficient estimator" are inherent with Chavez et al.

Chavez et al fails to disclose including a base price variable and a base volume

Variable, wherein said base volume variable represents the volume of product units sold

in the absence of discount pricing or other promotional effects/an imputed base price

variable and an imputed base volume variable, but does disclose the generation of a

model for the demand of a product in col. 53-63, and does disclose that the base

parameter's values would only depend on the sales level and price in Col. 10, line 60-

67.

However, Ouimet et al discloses:

including a base price variable and a base volume variable/an imputed base

price variable and an imputed base volume variable wherein said base volume variable

represents the volume of product units sold in the absence of discount pricing or other

promotional effects, (Col. 10, lines 60-65, where the base parameters in the demand

model are the amount of sales and price, here the amount of sales is the volume and

the price is the price, w/ col. 5, lines 64-67, shows that variables that affect the demand

can include promotional activity). Ouimet et al discloses this limitation in an analogous

art for the purpose of disclosing a one-dimensional demand model.

It would have been obvious to one of ordinary skill in the art at the time of the

applicant's invention to include a base price variable and a base volume variable with

the motivation of having variables available to formulate a base demand model.

As per claim 4, Chavez et al discloses:

Wherein the imputed variable generator receives raw data, and cleans the data,

(Col. 20, lines 24-32, [filtering and then identifying variables]).

As per claim 9, Ouimet et al does not specifically disclose wherein said raw data

includes missing or incomplete data sets, (Col. 11, lines 36-41, imperfect information).

Garg discloses this limitation in an analogous art for the purpose of showing that firms

do not usually know the exact strategy their competitors will adopt.

It would have been obvious to one of ordinary skill in the art at the time of the

applicant's invention for raw data to include missing or incomplete data with the

motivation of realistically showing the details of raw data.

8.   Claims 2, 7-11 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Ouimet et al (US 6,078,893) as applied to claim 1 above, and further in view of Garg,

(US 6,044,357), and further in view of Chavez et al (US 6,684,193).

As per claim 2, Ouimet discloses:

wherein said raw data includes product parameter data which is missing or

incomplete, wherein said imputed variables are used to estimate said missing or ·

incomplete data, (Col. 11, lines 58-67, provides a way to correct for errors by a tuning

process where the system reduces the number of tunable parameters, thus allowing for

a way to minimize the influence of random noise in the data, in this case the inclusion of

noise represents the production of incomplete data since the noise interferes with full

production of data, and the tuning represents the process used for estimating the

incomplete data).

Both Ouimet et al and Garg fail to disclose collecting, using the computer system,

raw data; and generating, using the computer system, imputed variables from the raw

data, wherein the imputed variables are used to create the product sales model, but

Ouimet et al does disclose generating a sales model in Col. 6,lines 5-11.

However, Chavez et al discloses:

collecting, using the computer system, raw data; and generating, using the

computer system, imputed variables from the raw data, further wherein the imputed

variables are used to create the product sales model, (Col. 20, lines 24-32, [filtering and

then identifying variables], w/ col. 6, lines 5-11, [shows a one-dimensional demand

model which scales the amount of product sales, in this case, the variables are simply

the prices {p},and the demand parameters qi scales the amount of sales and gi, which

describes the sensitivity of the item to price according to product sales]). Chavez et al

discloses this limitation in an analogous art for the purpose of identifying variables that

go furthest in "explaining" the uncertainty in the particular variable of interest.

It would have been obvious to one of ordinary skill in the art at the time of the

applicant's invention to collecting, using the computer system, raw data; and

generating, using the computer system, imputed variables from the raw data, wherein

the imputed variables are used to create the product sales model with the motivation of producing a sales model with unused product data.

As per claim 7, Ouimet et al discloses:

including a base price variable and a base volume variable/an imputed base price variable and an imputed base volume variable wherein said base volume variable represents the volume of product units sold in the absence of discount pricing or other promotional effects, (Col. 10, lines 60-65, where the base parameters in the demand model are the amount of sales and price, here the amount of sales is the volume and the price is the price, w/ col. 5, lines 64-67, shows that variables that affect the demand can include promotional activity).

As per claim 8, Ouimet et al discloses:

Generating a moving average for base price; and generating a moving average for base volume, (Col. 6, lines 51-53, shows how values stray fro those which are expected based on the average margin for an item).

As per claim 10, Ouimet et al discloses:

defining an equivalent price for each said product using said equivalizing factor; defining equivalent units sold for each said product using said equivalizing factor; defining an equivalent base price for each said product using said equivalizing factor; defining equivalent base units sold for each said product using said equivalizing factor, (col. 5, lines 1-12, shows that the figure of merit function entered by the user, which depends upon a selected demand model is equivalent to a standard function (x squared), and gives an example of the sales history for a particular item as it relates to

the selected model, therefore any function entered by the user will have an equivalent x squared function associated with it, w/col. 6, lines 5-11, shows that price is a constant equal to the average price of the item);

creating a demand group equivalent sales model based on said equivalent price and said equivalent units sold, see above paragraph, col. 5, lines 1-12, demand model);

creating, using the computer system, an equivalent product sales model by combining said demand group equivalent sales model and said equivalent internal market share model, wherein said equivalent product sales model models equivalent sales for individual products, (Col. 6, lines 63-64, where the user selects a figure-of-merit function to be used to tune the demand model to the sales history, thereby creating a resulting demand model that conforms to the portions of the sales history data that shows a strong trend, and conform to the external market information when the corresponding portions of the sales history data show noise as shown in the abstract, lines 13-17, w/ Col. 6, lines 12-15, shows a demand model which the is a nonlinear, cross-correlation between the variables of different items, which represent individual products);

Ouimet et al does not disclose creating an equivalent internal market share model based on said equivalent price and said equivalent units sold, however does disclose defining a new market model that represents and describes how the demand parameters are expected to vary, where the demand parameters relate to the products in each demand group in col. 6, lines 17-25.

However, Garg discloses:

creating, using the computer system, an internal a market share model wherein said internal market share model determines the fraction of the internal sales of each demand group comprised by each product,, (col. 5, lines 38-41, [market share model to characterize the demand distribution for each brand, in this case, the group is represented by the brand, and the demand distribution represents a different demand resulting from sales for each product. This demand distribution will therefore vary for each brand, and therefore represents fraction of the sales]. In addition, the sales are internal since the demand groups are by a particular brand, which means that sales do not have to go to an external source for another brand). Garg discloses this limitation in an analogous art for the purpose of showing that market share models are used to set base stock levels for inventory management.

It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to create a market share model for each product in each demand group with the motivation of providing a representation of how the demand distribution is represented through products.

Neither Ouimet et al nor Garg disclose indexing said demand group equivalent sales model by divided said demand group equivalent sales by baseline demand group equivalent sales, but Ouimet et al does disclose defining a new market model that represents and describes how the demand parameters are expected to vary, where the demand parameters relate to the products in each demand group in col. 6, lines 17-25.

However, Chavez et al discloses:

indexing said demand group equivalent sales model by divided said demand

group equivalent sales by baseline demand group equivalent sales, (Col. 10, lines 7-25,

shows that the baseline demand is considered when dealing with modeled parameters).

Chavez et al discloses this limitation in analogous art for the purpose of showing that

baseline demand serves as a part of modeling demand.

It would have been obvious to one of ordinary skill in the art at the time of the

applicant's invention to index the demand group equivalent sales model by divided said

demand group equivalent sales by baseline demand group equivalent sales with the

motivation of showing a demand model based on baseline demand.

As per claim 11, discloses:

and wherein said econometric engine utilizes a mixed-model framework wherein

data across all stores and products for a selected demand group is utilized

simultaneously, (abstract, lines 13-17, w/ Col. 6, lines 12-15, shows a demand model

which the is a nonlinear, cross-correlation between the variables of different items,

which represent individual products).

The following is obvious with Chavez since Chavez already discloses an imputed

variable generator for generating imputed econometric variables in col. 8, lines 22-27,

as discussed above with respect to claim 3, and an imputed consumer stockpiling

variable, an imputed day of the week variable, an imputed seasonality variable, an

imputed promotional variable, and an imputed cross-elasticity variable are all a part of

econometric parameters, and are all commonly applied in the application of economics

in the study of problems, the analysis of data, and the development and testing of

theories and models:

said imputed variable generator generates additional econometric variables

including an imputed consumer stockpiling variable, an imputed day of the week

variable, an imputed seasonality variable, an imputed promotional variable, and an

imputed cross-elasticity variable.

It would have been obvious to one of ordinary skill in the art at the time of the

applicant's invention for said imputed variable generator generates additional

econometric variables including an imputed consumer stockpiling variable, an imputed

day of the week variable, an imputed seasonality variable, an imputed promotional

variable, and an imputed cross-elasticity variable with them motivation of providing well

known economic parameters for modeling demand.

Response to Arguments

9.   Applicant's arguments filed 6/28/07 have been fully considered but they are not

persuasive.

As per claims 1 and 3, Applicants argue that there is evidence in the specification

to support the claim that "each said demand group is defined by a user such that, each

said demand group is unique to said user". Applicant argues that Categorizations may

be client defined by utilizing a spreadsheet to choose the demand grouping, and that

such human decisions regarding demand group selection are unpredictable, produce

varied results, and thereby, each choosing by the user client will necessarily be unique

to the said user. Applicant points out passages in the specification which states that "[a]

category is defined as a set of substitutable or complementary products, for example,

'Italian Foods'. Such categorization can be proscribed by the client or defined by

generally accepted product categories", on page 14, lines 18-20, "[the] supplemental file

can be input into a spreadsheet program (e.g., Excel®) which can use the product

information to define 'demand groups' (i.e., groups of highly substitutable products)", on

page 16, lines 18-21, and that "a demand group (a group of highly substitutable

products) is chosen...", on page 18, lines 2 and 3. Although these passages point out

that categorizations are selected by a human, these human decisions do not

necessarily have to lead to a varied result, and thus does not have to be unique to the

user. Nowhere in the specification discloses that each demand group is unique to the

user. The specification merely discloses that category groups can be proscribed or

defined by a client, however, it is still possible to define a category group more than

once.

As per claim 1, applicant argues that prior art does not disclose "[c]reating, using

the computer system, a demand group sales model as a function of price wherein said

demand group sales model models sales for each <u>demand group"</u> as claimed in Claims

1 and 3, but merely describes the demand for each item. However, in col. 6, lines 5-11

of Ouimet et al, a one-dimensional demand model, which scales the amount of sales is

shown. In addition, col. 5, lines 45-64 of Ouimet et al does shows that demand is

described for each item in a given group, however, this passage also discloses that the

demand for a single item usually depends upon the demand for all other items.

Therefore, Ouimet et al implies that the demand for a single item is based on, and is a

representation of group demand. Therefore, when the demand-model, which is no

more than a representation of the demand, is generated, this model will also represent

group demand.

Applicants also argue that Ouimet '893 does not teach or suggest "[c]reating,

using the computer system, said product sales model by combining said demand group

sales model and said internal market share model, wherein said product sales model

models sales for individual products, further wherein said product sales model combines

said demand group sales model and said internal market share model to produce said

product sales model for individual products" in the manner of Claims 1 and 3, and

argues that Ouimet uses a combination of models to generate a unique demand model

is distinct from a simple tuning process which simply adjusts the existing model to better

fit a data set. However, Col. 6, lines 63-64, of Ouimet does disclose a tuning process,

however this same process is used to create a resulting demand model that conforms to

the portions of the sales history data that shows a strong trend by replacing the

parameters of the demand model with parameters of the market model, thereby

combining the results as shown in Col. 2, lines 40-54. Also, Col. 6, lines 12-15, shows a

demand model can be created using a nonlinear, cross-correlation between the

variables of different items, where items are represented through demand group sales

models and internal market share models as described above in the preceding

paragraph and in the rejection, and therefore the demand model is represented through

a cross-correlation of demand group sales models and internal market share models.

Applicants also argues that Garg '357 does not teach or suggest "wherein each demand group is a group of highly substitutable products" as claimed in Claims 1 and 3, and that "Garg discloses grouping of brands and not individual products , and at these groupings, as disclosed in Garg, are only limited by "feasible marketing strategies", and thus, the selection of variables by Garg does not teach or suggest selecting groups of substitutable products. However, in the Garg patent, a "Brand" is in the same category of a product since Garg is only concerned with product brands. In addition, Col. 13, line 65, shows inventory maintenance is implemented, and therefore, product brands are replaceable through inventory stock. In addition, Col. 14, lines 55-58 and col. 15 lines 17-18 and lines 24-26, show the selection of a first marketing mix, a selection of another marketing mix, and then the identification of which marketing mix generates the largest profit/loss, in this case, one marketing mix for products can be substituted for another marketing mix for the highest profit or loss outcome.

As per claim 6, Applicants argue that Ouimet '893 does not teach or suggest "defining an equivalizing factor for the products of each demand group". However, in Col. 4, line 66-Col. 5, line 6, Ouimet teaches that a "figure-of-merit function that depends on the selected demand model, and is equivalent to a standard..." In this case this function is made equivalent to another value and is used to select models for demand groups.

As per claim 3, Applicants argue that Chavez et al. does not teach or suggest "create a demand group sales model as a function of price, wherein said demand group sales model provides a single model for modeling sales of all of the products in each

said demand group". However Chavez et al does disclose an engine in col. 8, lines 23-31 that produce the same results, and therefore represents the econometric engine that contains the "variable generator" and the "coefficient estimator" that "create a demand group sales model as a function of price..." In particular, this passage shows that the revenue margin and costs associated with the given set of products are delivered in a model.

As per claim 10, Applicants respectfully submit that Ouimet et al., Garg nor Chavez et al. teach or suggest even the existence of an "equivalizing factor" . As previously stated, Ouimet discloses this equivalizing factor as described above with respect to claim 6.

Claim 2-4, and 6-11 depend therefrom, and are also still rejected for the same reasons.

Conclusion

10.   Any inquiry concerning this communication or earlier communications from the examiner should be directed to Akiba K Robinson-Boyce whose telephone number is 571-272-6734. The examiner can normally be reached on Monday-Friday 9am-5:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Hayes can be reached on 571-272-6708. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300. Information regarding the status of an application may be obtained from the •Patent Application Information Retrieval (PAIR) system, Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status

information for unpublished applications is available through Private PAIR only. For

more information about the PAIR system, see http://pair-direct.uspto.gov. Should you

have questions on access to the Private PAIR system, contact the Electronic Business

Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO

Customer Service Representative or access to the automated information system, call

800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Any inquiry of a general nature or relating to the status of this application or

proceeding should be directed to the receptionist whose telephone number is 703-305-

3900.

A. R. B.
July 9, 2007